

1. (Currently amended) A method of managing product returns comprising the steps of:

interrogating a radio frequency product label on a product returned to a store by a radio frequency product label interrogator controlled by a computer;

identifying the product from identification information obtained from a memory of the radio frequency product label by the computer, wherein the identification information identifies the radio frequency product label;

recording operator authorization to add the product to inventory by the computer; and

adjusting inventory records to include the identification information and to reflect addition of the product to inventory by the computer.

2. (Currently amended) A method of managing product returns comprising the steps of:

interrogating a radio frequency product label on a product returned to a store by a radio frequency product label interrogator controlled by a computer;

identifying the product from identification information obtained from a memory of the radio frequency product label by the computer, wherein the identification information identifies the radio frequency product label;

determining whether the product was sold by the store

by the computer using the identification information; and  
only if the product was sold by the store,  
recording operator authorization to add the  
product to inventory by the computer; and  
adjusting inventory records to include the  
identification information and to reflect addition of the  
product to inventory by the computer.

3. (Currently amended) A method of managing product  
returns comprising the steps of:

activating a radio frequency product label on a product  
returned to a store by a computer;

interrogating the radio frequency product label by a  
radio frequency product label interrogator controlled by the  
computer;

identifying the product from identification information  
obtained from a memory of the radio frequency product label  
by the computer, wherein the identification information  
identifies the radio frequency product label;

recording operator authorization to add the product to  
inventory by the computer; and

adjusting inventory records to include the  
identification information and to reflect addition of the  
product to inventory by the computer.

4. (Currently amended) A system for managing product returns comprising:

a radio frequency product label affixed to the product, including a memory for storing identification information associated with the radio frequency product label;

a radio frequency product label interrogator which obtains the identification information from the memory of the radio frequency product label; and

a computer which controls the radio frequency product label interrogator, identifies the product from the identification information, records operator authorization to add the product to inventory, and adjusts inventory records to include the identification information and to reflect addition of the product to inventory.

5. (Currently amended) A system for managing product returns comprising:

a radio frequency product label affixed to the product, including a memory for storing identification information associated with the radio frequency product label;

a radio frequency product label interrogator which obtains the identification information from the memory of the radio frequency product label; and

a computer which controls the radio frequency product label interrogator, identifies the product from the

identification information, determines whether the product was sold by the store using the identification information, and, only if the product was sold by the store, records operator authorization to add the product to inventory and adjusts inventory records to reflect to include the identification information and addition of the product to inventory.